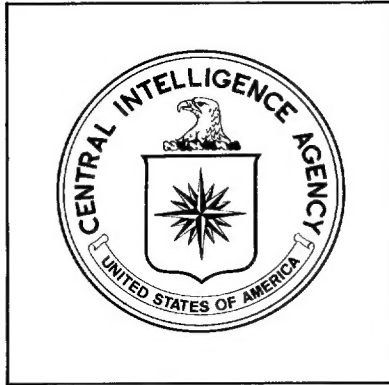


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WESTERN EUROPE — CANADA — INTERNATIONAL ORGANIZATIONS

This publication is prepared for regional specialists in the Washington community by the Western Europe Division, Office of Current Intelligence, with occasional contributions from other offices within the Directorate of Intelligence. Comments and queries are welcome. They should be directed to the authors of the individual articles.

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Deadlock in Swedish Labor-Management
Negotiations

Swedish labor and employers groups broke off negotiations on April 6 unable to agree on a new blue collar contract.

The major issue is wages. Labor claims that wage increases of 8.1 percent in 1975 and 4.2 percent in 1976 are not enough. In addition, the employer organization has rejected a labor demand that negotiations be reopened on December 1 if current talks with white collar groups result in a higher settlement for them. In the meantime, the trade union federation has taken steps to remove legal impediments to a strike.

The current blue collar dispute is the latest disturbance in an increasingly troubled labor arena. Speculation continues that bargaining in the local government sector may soon break down. Central government negotiations are not faring much better. As a backdrop, a wildcat strike by forestry workers in northern Sweden involving 15,000 employees, the largest walkout since 1945, continues with no end in sight.

The government will have to appoint a mediation commission to resolve the differences in the current labor-management standoff. In the last 20 years only five labor-employer agreements have been concluded without the intervention of mediators. (Confidential)

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UN Meeting on Transnational Corporations
Avoids Fight

In marked contrast to the generally stormy sessions in the UN between developed and developing states during the last year the first 10-day session of the UN commission on transnational corporations concluded late last month with both sides in general agreement, albeit on a limited program.

The commission's ability to find a consensus where other, larger, UN bodies have failed was facilitated by the commission's limited size and scope and its expert-level representation. At the much larger UNIDO conference which was meeting in Lima at the same time, for example, consensus could not be reached and the delegates representing the developing states used their voting majority to force their will. In New York, however, the delegates were able to work out compromise language on consideration of the controversial Charter of Economic Rights and Duties of States and the Declaration for a New World Economic Order. Both these documents have been touchstones of developing country policy in the UN for the last year but a bete noire to the industrialized states.

The developing states did succeed in pressing their demand that first priority be given to the development of a code of conduct for transnational corporations. The industrialized states, however, were able to forestall immediate steps towards the drafting of the code of conduct and to have the commission instruct the

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group charged with follow-up work to consider issues the industrialized states want examined. Among these are establishment of an information system, and a study of the political, economic and social impact of transnational corporations in both home and host countries.

The commission instructed its information and research center on the work to be done before the commission meets again early next year. By that time the commission's staff should have finished preparations for a meeting of the UN Economic and Social Council (ECOSOC) in the summer of 1976, and the commission will not be able to duck the difficult issues it side-stepped this time. (Confidential)

Additional background available in: STAFF NOTES: Western Europe, Canada, International Organizations, 26 March 1975.

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West European Humanitarian Aid to Vietnam

Most West European countries are taking steps to send humanitarian aid to Vietnam.

The French have announced officially that they are sending humanitarian aid to areas of South Vietnam controlled by the Saigon government and the Viet Cong. Medicine, food, medical and para-medical personnel were to be flown in beginning on April 9. The Viet Cong reportedly have agreed to allow the French planes to land in areas they control.

West Germany has announced that it will spend some \$6.4 million in special aid for Vietnamese refugees. This includes:

- two specially chartered West German ships to help evacuate Vietnamese refugees from battle areas;
- the \$4.2 million program announced in late March for air shipment of food and medical aid to Saigon;
- a \$1.1 million contribution to the International Committee of the Red Cross; and
- a \$210,000 contribution to the UN refugee organization.

Several flights of West German food and medical supplies have already arrived in Saigon for distribution in refugee camps. In addition, the German Red Cross on 7 April announced plans to set up a camp for 60,000 refugees on the island of Phu Quoc.

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On 2 April the West German government established an interministerial working group in Bonn to coordinate its aid effort. This group works through the West German Embassy in Saigon, which is in touch with the various aid organizations supplying aid to Vietnamese refugees.

Bonn also supports the Dutch government's proposal for an EC aid program for Vietnamese refugees. Unilateral Dutch contributions for humanitarian assistance to Vietnam and Cambodia have so far come in two forms. The Dutch Red Cross on April 2 contributed \$32,000 to an aid fund under the supervision of the recently established Indochina Operational Group. More recently, The Hague has decided to grant \$830,000 in aid to South Vietnam. In both cases, the funds will be spent to assist refugees from areas controlled by Saigon and the PRG.

The British government has announced that it will provide \$1.8 million for Indochina refugee relief. Some of this will go directly to the International Red Cross to be used for emergency relief for Vietnamese children and the rest will be allocated between relief operations in Cambodia and Vietnam. The UK also has promised that \$1.2 million of its UNICEF commitment to Indochina will be made available in the near future.

Both the British government and press appear opposed to efforts to airlift Vietnamese children. One government official commented that emphasis should be placed on maintaining family units in Vietnam and said that she hoped relief efforts would be directed toward this goal.

In Italy a committee that includes a prominent left-wing Christian Democrat and a Socialist leader has urged the government to recognize the Provisional Revolutionary Government.

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US installations in Italy, meanwhile, are receiving inquiries regarding Vietnamese orphans. These are being referred to the Catholic Relief Service in Rome which reports that it has received an "unprecedented" number of such calls, presumably from couples interested in adoption.

The Danish government has decided to postpone consideration of a request for aid to North Vietnam because of the current offensive. Norway and Sweden, however, have stepped up aid to both North and South Vietnam. Norway will contribute another \$2 million in addition to the \$12 million already divided between North Vietnam, the PRG, and South Vietnam. The new contribution will be distributed through multilateral organizations, particularly the Red Cross and the UN. Sweden has announced an additional \$3 million in direct aid to the PRG. Of this amount, \$2.5 million will be channelled to all parties in South Vietnam through UNICEF and the UN refugee organization, and \$250,000 will go to South Vietnam and Cambodia and will be channelled through the International Red Cross.

Finland will grant \$430,000 for aid to refugees to be distributed equally to UNICEF, the UN refugee organization, and the International Red Cross.

Greece has made no aid offers but announced on April 9 its intention to recognize the Hanoi government.

Asian experts from the EC countries agreed in Dublin on April 5 that the situation in South Vietnam is far more complex than that in Cambodia and recommended that the individual countries keep their embassies open in Saigon unless the government should collapse.

The EC experts concluded that political considerations in most EC countries preclude any EC declaration on Vietnam except one limited to humanitarian issues, and the French opposed even that. (Confidential No Foreign Dissem/ Background Use Only)

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